

Louisiana Wildlife and Fisheries Foundation
Baton Rouge, Louisiana
December 31, 2008

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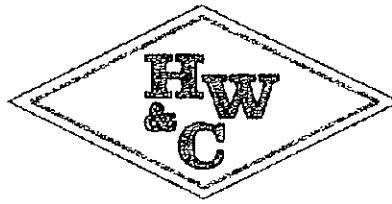
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June 22, 2009

Independent Auditor's Report

Board of Directors
Louisiana Wildlife and Fisheries Foundation
Baton Rouge, Louisiana

We have audited the accompanying statements of financial position of the Louisiana Wildlife and Fisheries Foundation as of December 31, 2008 and 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Louisiana Wildlife and Fisheries Foundation as of December 31, 2008 and 2007, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 22, 2009 on our consideration of the Louisiana Wildlife and Fisheries Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important in assessing the results of our audit.

Yours truly,

Hawthorn, Waymouth & Carroll, LLP

Louisiana Wildlife and Fisheries Foundation
Statements of Financial Position
December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Assets		
Cash	\$1,297,043	\$615,823
Time deposits	3,581,137	4,015,843
Unconditional promise to give, current	31,250	
Accrued interest receivable	<u>30,355</u>	<u>27,408</u>
	4,939,785	4,659,074
 Equipment, Net of Depreciation	 7,716	 2,124
 Long-Term Unconditional Promise to Give, Net of Discounts	 <u>90,121</u>	 <u> </u>
<u>Total assets</u>	<u>5,037,622</u>	<u>4,661,198</u>
 Liabilities		
Accounts payable	1,816	93,418
Accrued expenses	<u>2,181</u>	<u>3,437</u>
<u>Total liabilities</u>	<u>3,997</u>	<u>96,855</u>
 Net Assets		
Unrestricted	940,983	775,960
Temporarily restricted	<u>4,092,642</u>	<u>3,788,383</u>
<u>Total net assets</u>	<u>5,033,625</u>	<u>4,564,343</u>
<u>Total liabilities and net assets</u>	<u>5,037,622</u>	<u>4,661,198</u>

The accompanying notes are an integral part of these financial statements.

Louisiana Wildlife and Fisheries Foundation
Statements of Activities
Years Ended December 31, 2008 and 2007

	December 31, 2008			December 31, 2007		
	Unrestricted	Temporarily Restricted	2008 Total	Unrestricted	Temporarily Restricted	2007 Total
Revenues and Reclassifications						
Contributions	\$143,617	\$329,914	\$473,531	\$115,050	\$243,523	\$358,573
Proceeds from consent decrees	179,157		179,157			
Interest	595		595	188,332		188,332
Total revenues before reclassifications	323,369	329,914	653,283	303,382	243,523	546,905
Net assets released from restrictions	25,655	(25,655)		239,643	(239,643)	
Total revenues and reclassifications	349,024	304,259	653,283	543,025	3,880	546,905
Expenses						
Grants (Projects)	33,300		33,300	249,795		249,795
Programs	15,587		15,587			
Other program expenses	46,958		46,958	42,855		42,855
Total program expenses	95,845		95,845	292,650		292,650
Management and general expenses	28,966		28,966	23,190		23,190
Fund raising expenses	59,190		59,190	101,453		101,453
Total management and funding raising expenses	88,156		88,156	124,643		124,643
Total expenses	184,001		184,001	417,293		417,293
Increase in Net Assets	165,023	304,259	469,282	125,732	3,880	129,612
Net Assets						
Beginning of year	775,960	3,788,383	4,564,343	650,228	3,784,503	4,434,731
End of year	940,983	4,092,642	5,033,625	775,960	3,788,383	4,564,343

The accompanying notes are an integral part of these financial statements.

Louisiana Wildlife and Fisheries Foundation
Statements of Cash Flows
Years Ended December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Cash Flows from Operating Activities		
Increase in net assets	\$469,282	\$129,612
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	607	607
(Increase) Decrease in accrued interest receivable	(2,947)	17,219
Increase in unconditional promises to give	(121,371)	
Increase (Decrease) in accounts payable	(91,602)	46,122
Decrease in accrued expenses	<u>(1,256)</u>	<u> </u>
<u>Net cash provided by operating activities</u>	<u>252,713</u>	<u>193,560</u>
Cash Flows from Investing Activities		
Purchase of equipment	(6,199)	
Time deposits redeemed	4,692,016	
Acquisition of time deposits	<u>(4,257,310)</u>	<u>(295,060)</u>
<u>Net cash provided by (used in) investing activities</u>	<u>428,507</u>	<u>(295,060)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	681,220	(101,500)
Cash and Cash Equivalents		
Beginning of year	<u>615,823</u>	<u>717,323</u>
End of year	<u><u>1,297,043</u></u>	<u><u>615,823</u></u>

The accompanying notes are an integral part of these financial statements.

Louisiana Wildlife and Fisheries Foundation
Notes to Financial Statements
December 31, 2008

Note 1-Summary of Significant Accounting Policies

A. Nature of Activities

The Louisiana Wildlife and Fisheries Foundation (the Foundation) was incorporated in Louisiana on August 8, 1996. The Foundation was organized solely for the benefit of and in connection with the work of the Louisiana Department of Wildlife and Fisheries (the Department) and the Louisiana Wildlife and Fisheries Commission (the Commission) including promotion, development, expansion and improvement of the facilities of the Department and Commission. The Foundation exists to encourage public conservation and enjoyment of wildlife and fish resources, and to increase the usefulness of the Department and Commission to the citizens of the State of Louisiana. The Foundation provides a means for individuals and corporations to become partners with the Department and Commission in the conservation of Louisiana's fish and wildlife resources, and has spearheaded a multitude of projects including cooperative endeavors with state and federal agencies and the private sector for fish and wildlife enhancement.

B. Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting.

The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. Unrestricted net assets are resources that are free of donor-imposed or time restrictions and are available at the direction of the governing board. Temporarily restricted net assets are resources that are limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations. Permanently restricted net assets are those resources whose use by the organization is limited to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Foundation. The Foundation does not currently have any permanently restricted net assets.

C. Cash and Cash Equivalents

Cash equivalents consist of cash balances other than those classified as time deposits which have maturities of three months or less. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

For purposes of the statements of cash flows, the Foundation does not consider time deposits with maturities of ninety days or less when acquired to be cash equivalents.

D. Contributions

The Foundation reports gifts of cash and other assets as restricted contributions when they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires (such as when the stipulated time restriction ends or the purpose of the restriction is accomplished) temporarily restricted net assets are released to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Net assets are primarily released from donor restrictions after the purpose of the restriction is accomplished. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

Louisiana Wildlife and Fisheries Foundation
Notes to Financial Statements
December 31, 2008

Note 1-Summary of Significant Accounting Policies (Continued)

E. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

F. Gifts of Marketable Securities and Other Items

Gifts of marketable securities and other noncash items are recorded as contributions at their fair values at the date of the donation.

G. Donated Services

No amounts have been reflected in the financial statements for donated services. The Foundation pays for most services requiring specific expertise. However, many individuals volunteer their time especially the Board of Directors and perform a variety of tasks that assist the Foundation with its activities.

H. Fixed Assets and Depreciation

Fixed assets are recorded at cost. Depreciation is recognized on the straight-line method over the estimated service lives of five years.

I. Grants

Grants are recorded as expenses when they are approved by the Board of Directors for payment.

J. Functional Expenses

Functional expenses not directly attributable are allocated between program, management and general, and fund raising expenses based upon an estimate of employee time spent on each function. Management and general expenses include those expenses that are not directly identifiable with other specific functions but provide for the overall support and direction of the Foundation.

K. Advertising Costs

Advertising costs are expensed as incurred. Total advertising costs were \$500 for the year ended December 31, 2008.

L. Income Tax

The Foundation is a nonprofit organization which has qualified as such under Sections 501(c)(3) and 509(a)(2) of the Internal Revenue Code and is not subject to federal or state income tax.

Louisiana Wildlife and Fisheries Foundation
Notes to Financial Statements
December 31, 2008

Note 1-Summary of Significant Accounting Policies (Continued)

M. Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Note 2-Proceeds of Consent Decree

On December 31, 2005, a consent decree between ExxonMobil Corporation and the U.S. Environmental Protection Agency and the Louisiana Department of Environmental Quality awarded the Foundation \$1,700,000 to be used exclusively for the acquisition of coastal lands which are (a) important as fish and wildlife habitat, or (b) important to the enhancement of the state's coastal restoration effort or both. Once acquisition of the above reference lands has been accomplished, the Foundation will execute an act (or acts) of donation(s) of said lands to the Department and the Commission.

On April 28, 2006, a consent decree between Chalmette Refining, L.L.C. and the Louisiana Department of Environmental Quality awarded the Foundation \$2,000,000 to be used for the same purposes and with the same stipulations outlined in the preceding paragraph.

Note 3-Equipment

Equipment is as follows:

	<u>2008</u>	<u>2007</u>
Field equipment	\$6,199	
Office equipment	<u>3,035</u>	<u>\$3,035</u>
	9,234	3,035
Less accumulated depreciation	<u>1,518</u>	<u>911</u>
<u>Total equipment</u>	<u>7,716</u>	<u>2,124</u>
Depreciation expense	<u>607</u>	<u>607</u>

Note 4-Unconditional Promises to Give

In 2007, the Foundation accepted two conservation easements. The respective donors pledged to maintain, in perpetuity, certain properties as natural habitats. Since no property rights were conveyed to the Foundation, no contribution or assets have been recorded in the accompanying financial statements.

The Foundation is, however, obligated, in perpetuity, to monitor the status of the properties to assure they are maintained in the condition specified in the terms of the easement.

One of the properties and the related easement was transferred to the Louisiana Department of Wildlife and Fisheries in 2008 to be maintained as a wildlife management area leaving the Foundation with a total of 2,575 acres under supervision. The costs of this perpetual obligation cannot be reasonably estimated and no provision for this obligation is included in the accompanying statement of financial position. The owner of the remaining property has also pledged a total of \$175,000 to offset the Foundation's future costs of managing the easement.

Louisiana Wildlife and Fisheries Foundation
Notes to Financial Statements
December 31, 2008

Note 4-Unconditional Promises to Give (Continued)

In 2008, \$50,000 of the unconditional promise to give was received by the Foundation. The unconditional promise to give reported as "Temporarily Restricted" on the balance sheet at December 31, 2008, is as follows:

<u>Payment Date</u>	<u>Amount</u>	<u>Discounted Value</u>
January, 2009	\$31,250	\$31,250
January, 2010	31,250	30,637
January, 2011	31,250	30,037
January, 2012	<u>31,250</u>	<u>29,447</u>
	<u>125,000</u>	<u>121,371</u>

Note 5-Net Assets

Temporarily restricted net assets consist of the following:

	<u>2008</u>	<u>2007</u>
Various wildlife and fisheries projects	\$392,642	\$88,383
Proceeds from ExxonMobil consent decree	1,700,000	1,700,000
Proceeds from Chalmette Refining, LLC consent decree	<u>2,000,000</u>	<u>2,000,000</u>
	<u>4,092,642</u>	<u>3,788,383</u>

Note 6-Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risks consist of cash and time deposits. The Foundation maintains deposits in financial institutions located in the State of Louisiana and at times account balances may exceed federally insured limits.

At December 31, 2008 and 2007, account balances in excess of the federally insured limits totaled \$528,180 and \$3,536,718, respectively.

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June 22, 2009

**Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Officers and Trustees
Louisiana Wildlife and Fisheries Foundation
Baton Rouge, Louisiana

We have audited the financial statements of the Louisiana Wildlife and Fisheries Foundation as of and for the year ended December 31, 2008, and have issued our report thereon June 22, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Louisiana Wildlife and Fisheries Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Louisiana Wildlife and Fisheries Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Louisiana Wildlife and Fisheries Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, the Louisiana Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513 this report is distributed by the Legislative Auditor as a public document.

Yours truly,

Hawthorn, Weymouth & Carroll, LLP

Louisiana Wildlife and Fisheries Foundation
Schedule of Findings and Questioned Costs
December 31, 2008

Findings - Financial Statement Audit

None

**Louisiana Wildlife and Fisheries Foundation
Schedule of Prior Year Findings
December 31, 2008**

Findings - Financial Statement Audit

None